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UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

UNITED STATES OF AMERICA,

Plaintiff,

vs.

Case No.: 2:09-CV-539-JCM-GWF

\$337,400.00 IN UNITED STATES CURRENCY,

Defendant.

VERIFIED CLAIM OF BYUNG KIL LEE

BYUNG KIL LEE ("BK Lee"), through the law firm of Marquis Aurbach Coffing, hereby submits his Verified Claim pursuant to FRCP Supp. R. G(5).

1. BK Lee hereby claims all of the \$337,400 in United States Currency that is the Defendant in this matter (the "Property").

2. BK Lee is the claimant and is the rightful owner of the Property, which represents a small portion of the \$1,800,000 out of which BK Lee was defrauded by Sung Lim Lee ("SL Lee"); Jong Mal Ha now known as Young Jae Ha ("JM Ha"); Jong Won Ha ("JW Ha"), JM Ha's older brother; Jung Sun Lee Yoon ("Yoon"), JM Ha's girlfriend; Deuk Soon Park ("Park"), JW Ha's girlfriend; and others (collectively, the "Conspirators").

BACKGROUND

3. BK Lee is a citizen of South Korea. He grew up in Seoul, South Korea, where he still lives today.

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4. Since 1997, BK Lee has been in the book publishing and printing business and has owned and operated book stores.

5. BK Lee had visited Las Vegas several times and was interested in investing in business opportunities in Las Vegas.

PURPORTED BUSINESS INVESTMENT OPPORTUNITIES

6. SL Lee was a long-time customer of BK Lee's.

7. In or about March 2007, SL Lee approached BK Lee with a partnership opportunity to operate a fusion ice cream store called Red Mango, located in Las Vegas.¹

8. In late June into early July 2007, BK Lee traveled to the United States to meet with SL Lee. At that time, SL Lee introduced BK Lee to JM Ha and his girlfriend, Yoon.

9. SL Lee instructed BK Lee to send monies for the Red Mango business to Yoon, which he did.

10. The Red Mango investment ultimately did not come to fruition, and BK Lee sought other investment opportunities in Las Vegas.

11. On or about October 3, 2007, BK Lee again met JM Ha, who represented himself as a United States citizen who had made a great deal of money operating an academy for overseas study, operating two golf clubs in Thailand, and whose family held elected government positions in Korea. He also represented that Yoon was his wife and that her family held elected positions in Korea.²

12. JM Ha encouraged BK Lee to loan/invest in a business that would provide toiletries to Las Vegas hotels, such as the Palazzo and Planet Hollywood (collectively, with the Red Mango, the "Businesses").³

13. JM Ha instructed BK Lee to give money to JM Ha's older brother, Jong Won Ha ("JW Ha") to be invested in these Businesses.⁴

¹ See Complaint filed with prosecutor's office of Suwon province, Korea, attached hereto as **Exhibit 1-A** (English translation), **1-B** (copy in Korean), and **1-C** (Certificate of Translation).

² See *id.*

³ See *id.*

14. Between in or about October 2007 and May 2008, BK Lee delivered to JW Ha approximately \$790,000 to be invested in the Businesses.⁵

15. In or about the same time period, BK Lee gave an additional \$1,010,000 to other persons at the direction of JW Ha, also for investment in the Businesses.⁶

16. In total, between in or about October 2007 and March 2008, BK Lee gave approximately \$1,800,000 to various people, using various means of delivery, at the instruction of Yoon and JM Ha.⁷

17. Initially, BK Lee received a few payments as returns on his investments, which totaled a few thousand dollars in what he thought was profits from the Businesses.

18. After the first few payments, however, he received no more payments.

BK LEE'S INVESTIGATION

19. After the payments on his investments stopped, BK Lee began investigating why he was not receiving returns on his investments.

20. BK Lee began questioning people in Korea connected to the Conspirators about his investments.

21. As a result, BK Lee began receiving threats in Korea from people connected to the Conspirators, mostly JW Ha's gangster friends.

⁴ See excerpts of transcription of tape recorded conversation between BK Lee and JW Ha, in or around September 2009, wherein JW Ha admits to receiving money from BK Lee and giving it to JM Ha, attached hereto as **Exhibit 2-A** (English translation), **2-B** (copy in Korean), and **2-C** (Certificate of Translation).

⁵ See Affirmation of Facts signed by Yoon and notarized, dated October 20, 20012, attached hereto as **Exhibit 3-A** (English translation), **3-B** (copy in Korean), and **3-C** (Certificate of Translation).

The exchange rate for South Korean Won is approximately \$1,124 US dollars to 1 South Korean Won. See quote from www.bloomberg.com dated July 13, 2013, attached hereto as **Exhibit 4**. Because this exchange rate varies, for purposes of this Verified Claim, BK Lee has estimated the amounts he gave JM Ha and his associates using a conversion rate of \$1,000 US dollars to 1 South Korean Won.

⁶ See Exhibit 3.

⁷ See Exhibit 1; see Details of Frauds listing dates and places BK Lee gave money to various individuals at the instruction of JM Ha and JW Ha and others, attached here to as **Exhibit 5-A** (English translation), **5-B** (copy in Korean), and **5-C** (Certificate of Translation).

22. In or about 2008-2009, BK Lee began liquidating his assets in Korea to fund trips to the United States to investigate and recover his investments from the Conspirators.

23. BK Lee traveled to Las Vegas in March 2008, at which time JM Ha assured BK Lee he would receive all his money back and that he should just return to Korea and wait for it, which he did.⁸

24. BK Lee returned to the Las Vegas again in April-May 2008, and struggled to meet with JM Ha. JM Ha told him that JM Ha's investors were not paying him back, which was causing the delay, but that JM Ha had begun a new investment in Macao, which would enable him to repay all of BK Lee's money.⁹

25. JW Ha acknowledged in writing that on October 26, 2007, he had received \$90,000 from BK Lee.¹⁰

26. On February 20, 2008, JM Ha and Yoon acknowledged in writing that they had received \$1,400,000 from BK Lee and that it would be repaid to BK Lee at the monthly rate of 7% interest on the 20th of each month.¹¹

27. On March 6, 2008, SL Lee acknowledged in writing that he had received \$400,000 from BK Lee.¹²

28. During his investigation, BK Lee learned that the Conspirators were using BK Lee's and others' money to make loans to gamblers in Las Vegas and to engage in a Won Jigi (illegal exchange of South Korean Won to US dollars) enterprise.¹³ He also learned that JM Ha

⁸ See Exhibit 1.

⁹ See Exhibit 1.

¹⁰ See Exhibit 3; see A Written Affirmation by JW Ha dated October 26, 2007, attached hereto as Exhibit 6-A (English Translation), 6-B (copy in Korean), and 6-C (Certificate of Translation).

¹¹ See Certificate of Cash Custody dated February 20, 2008 and signed by JM Ha, and Yoon and witnessed by SL Lee, attached hereto as Exhibit 7-A (English translation), 7-B (copy in Korean), and 7-C (Certificate of Translation).

¹² See Exhibit 5.

¹³ See Exhibit 3.

1 and Yoon were not married, and that they were poor when they first arrived in Las Vegas until
2 they started defrauding people.

3 29. As a result of JM Ha's illegal use of the money he fraudulently obtained from BK
4 Lee, Ha lived a lavish lifestyle in the United States, driving an expensive car and wearing
5 designer clothes.

6 30. BK Lee again returned to Las Vegas at the end of July 2008 and the end of
7 August 2008 demanding that JM Ha return his money, but JM Ha asked him to wait while he
8 worked on getting the money.

9 31. After the end of 2008, it became impossible for BK Lee to get in touch with JW
10 Ha and Yoon, who had fled Las Vegas.

11 32. BK Lee later learned that on May 30, 2008, Las Vegas Police arrested JM Ha and
12 his girlfriend, Yoon, and seized the Property from their vehicle.¹⁴

13 33. In April 2011, BK Lee filed a Complaint against JM Ha, JW Ha, Yoon, and Park
14 for fraud and violation of foreign currency exchange law, in the Suwon province of South
15 Korea.¹⁵ The Suwon authorities did not ultimately prosecute, citing lack of evidence.¹⁶

16 34. In March 2013, BK Filed a Petition in Seoul, South Korea seeking further
17 investigation and prosecution of JM Ha, which was also closed without prosecution.¹⁷

18 **BK LEE ASSISTS THE UNITED STATES IN PROSECUTING JM HA**

19 35. In or about April 2009, BK Lee met with a Assistant United States Attorney
20 ("AUSA"), who confirmed that JM Ha is a con artist, and that the government was prosecuting
21 him.

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23
24 ¹⁴ See Amended Complaint, pp. 8-9.

25 ¹⁵ See Exhibit 1.

26 ¹⁶ See documents from Suwon District prosecutor's office noting stay of charges, attached hereto as
Exhibit 8-A (English translation), 8-B (copy in Korean), and 8-C (Certificate of Translation).

27 ¹⁷ See Petition dated March 11, 2013 and disposition notice, attached hereto as Exhibit 9-A (English
28 translation), 9-B (copy in Korean), and 9-D (Certificate of Translation).

1 36. The AUSA told BK Lee that when JM Ha was arrested, he told the authorities that
2 the Property seized from his car belonged to BK Lee, and JM Ha gave the authorities BK Lee's
3 business card, which was how the authorities knew to contact BK Lee.

4 37. BK Lee told the AUSA everything he knew about JM Ha's fraud and crimes.

5 38. The AUSA told BK Lee to cease his private investigations of the crimes while the
6 AUSA prosecuted the matter.

7 39. After returning to South Korea, the USAA asked BK Lee to return to Las Vegas
8 for a deposition, but BK Lee could not return to Las Vegas because of financial difficulty.
9 Instead, BK Lee coordinated with the United States Embassy in Korea to have his deposition
10 taken there.

11 40. BK Lee was defrauded of over \$1,800,000 by the Conspirators and has never
12 been repaid any of the \$1,800,000.

13 41. BK Lee has been fully cooperative with the United States Attorney in its
14 prosecution of the Conspirators.

15 42. BK Lee is entitled to all of the Property in this case.

16 Dated this 15th day of July, 2013.

17
18 MARQUIS AURBACH COFFING

19
20 By /s/ Frank M. Flansburg III, Esq.

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VERIFICATION

I, Byung Kil Lee, verify under penalty of perjury under the laws of the United States of America, including 28 USC § 1746, that the foregoing Verified Claim of Byung Kil Lee is true and correct.

Executed on the ____ day of July, 2013.

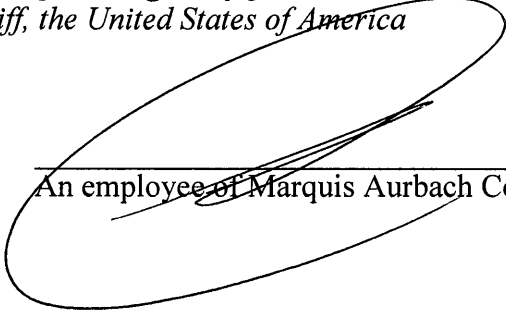
LEE BYUNG KIL

BYUNG KIL LEE

CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of July, 2013, I served a copy of the foregoing **VERIFIED CLAIM OF BYUNG KIL LEE** upon each of the parties via electronic service through the United States District Court for the District of Nevada's ECF system to the following:

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